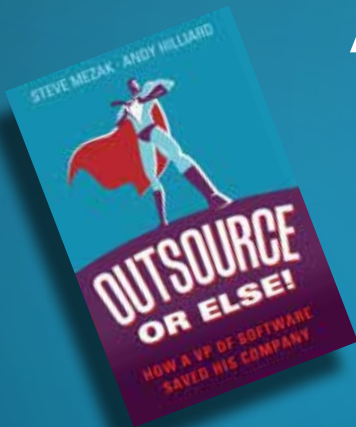


THE 7 KEYS TO OUTSOURCING SUCCESS

A business supplement to
Outsource or Else!





Introduction

You may have heard. There's a shortage of software engineering talent in Western countries contributing to high costs or huge delays in hiring in-house software development teams. Or worse, you could be experiencing a lag in product-to-market turnaround.

Even if you can find and hire developers, are they staying productive? Is your work environment and the business culture you've cultivated attracting the right talent, and is your environment conducive to the inspiration of great and innovative software? Simply put, most companies aren't qualified to develop software well and they don't have the resources they need to innovate and move with speed.

Outsourcing is an effective approach



Outsourcing is a viable development option and an engineering solution that delivers a high-quality product with advantages that internal development teams often cannot match.

Through software development outsourcing, you'll gain flexibility and scalability in team-size, access to technical expertise beyond what's available locally, and an expanded work day across timezones. Global teams bring the latest best practices, the newest technologies, and creative innovation that comes from deep experience. It all adds up to a powerful solution to software development.

How do you tap into all that outsourcing goodness? We're glad you asked. With more than 15 years experience connecting Western companies with the world's most talented software development teams, Accelerance is your global outsourcing authority.

We wrote the book on global outsourcing.



Outsource or Else! is a critically acclaimed business fable about a VP of Software who saved his company from certain failure by tapping into the power of global outsourcing. Seven Keys of Outsourcing are presented in the story and then summarized in an Appendix. This ebook is a supplement to *Outsource or Else!*, and shows how each of

the **Seven Keys** were used in recent real-world software development challenges faced by Accelerance clients.

These additional examples demonstrate how you can use the Seven Keys to achieve the full potential of the business and competitive advantages available through software outsourcing.

Haven't read the book? Download the free PDF version from [Accelerance.com](https://www.accelerance.com).





Key 1: Great Developers are Everywhere



Have you ever wondered how to identify and hire qualified, trustworthy offshore development teams?

In *Outsource or Else!*, our hero Jason finds himself with a list of potential offshore service providers in nontraditional locations such as Nepal, Belarus, and Colombia. Like many people, Jason lets his preconceived notions lead to hesitation. But if the question is “Can I find the perfect development team in Colombia, or a place I might not expect?” then the answer, as Jason found out, is “Yes.”

Brilliant, educated developers exist all over the world. You just need to know where to find them and what to look for.

Onshore talent isn't always better

Having curated more than 6,000 outsourced engagements, we've learned something interesting: Westerners who never outsource naively assume that the quality of onshore developers is higher by default than offshore talent.

But that's simply not true.

Offshore talent is highly qualified

In reality, good offshore companies are comprised of experienced, talented, and extremely well-educated software engineers who often attended top global and U.S. universities. These are highly trained developers with advanced knowledge regarding the latest technologies. And they're looking for a challenge.

You'll find talented developers in surprising corners of the earth and in countries that Westerners might not add to their top-places-to-visit list.

“Brilliant, educated developers exist all over the world. You just need to know where to find them and what to look for.”

Case Studies

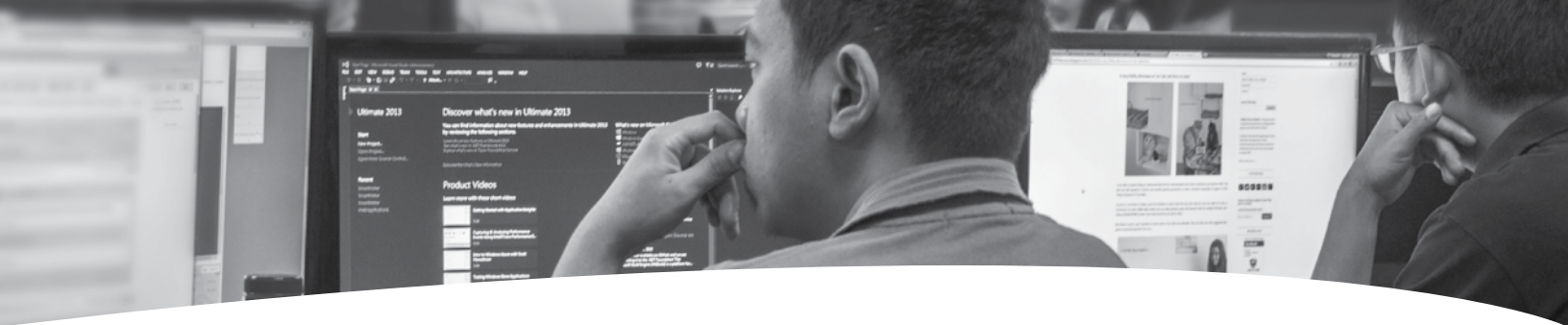
Take, for example, Pakistan - a non-traditional software development market by most standards but a perfect fit for our game hardware client in Silicon Valley.

Accelerance connected with a mid-size company that had their own small engineering team in Silicon Valley, development managed from Singapore, and a backlog of projects. Outsourcing would get our client back on track. It was important to have significant workday overlap with the Singapore office, so we recommended partner companies in Pakistan, Philippines, and Vietnam for evaluation. When our client selected the partner company in Pakistan, the decision factors were the ease of communication, a high degree of technical expertise, and a dedicated team that fit our client's needs.

In another example, a rapidly growing cloud infrastructure company in the Bay Area was looking to expand their Quality Assurance effort. Accelerance recommended a mix of onshore, nearshore, and offshore partners for evaluation. Each partner matched the client needs, but it was the partner in Venezuela that scored the highest marks for QA expertise, cost, and workday overlap.

Summary

When it's time to find a development team that matches the vision, qualifications, and talent-level that your project requires, look past what you think you know about where to find great developers. There's a boom of talent in the global market coming from some of the most unexpected places. Accelerance can help you tap into it.



Key 2: Focus on Your Vision



Is struggling to build your in-house development team getting in the way of your vision?

When Patrick, the outsourcing advisor, points out to Jason in *Outsource or Else!* that “Your job is to focus on your vision,” Jason responds with “I envision a world where everything in development is under control.” Patrick proceeds to explain the truth about development, in that it shouldn’t be under your control. “How has it been working out for you so far, trying to do everything yourself?” Patrick asks.

Trust your software to the experts

Software development is a complex process, and if you want good results fast, you need a team of talented people on your side — not just one “rock star” developer. If you were building a new headquarters for your offices, you wouldn’t try to hire internally and build it yourself, you’d engage an architect and a general contractor. Likewise, most companies that need software services aren’t actually in the business of building software. Rather, they need software to support a greater vision.

“If you want good results fast, you need a team of talented people.”

Get out of your own way

One of the fundamental obstacles to finding a good outsourcing team is getting out of your own way. As a visionary leader, your focus should be on making sure that your product gets to market and that it’s successful when it gets there. You can’t afford to spend 90 percent of your time figuring out how to build the product and only 10 percent on delivering it. The best use of your time and effort is to focus on your vision and leave engineering and development to the experts.

By focusing on your vision, the vision itself becomes more clear. When you can express your vision to your development team with great clarity, you’re doing your part to ensure your partner has the greatest chance of delivering a product that achieves that vision.

Case Studies

A great example of focusing on vision was a surveillance systems company located in the Pacific Northwest. Their main business was creating video systems for school buses and public transportation, and their customers were demanding a new dashboard system that could track the location of their buses. While familiar with designing hardware and low-level embedded software, a cloud-based tracking system wasn’t something our client was familiar with, and was above their internal software development capabilities.

Instead of spending the extra time and resources required to develop the dashboard in-house, they decided to outsource to a talented development team with experience to develop the product. The vision was big and ambitious, and remaining highly focused on that vision allowed them to direct the outsourced team they selected with the required experience and ability to deliver their dashboard to the highest standards.

In another instance, a marketing agency located in Oklahoma was looking for local developers but having trouble finding talent. They had a vision of what they wanted to be and how they wanted to do it and determined to build an in-house team. Oklahoma isn’t known as a software development hub, however, and our client found themselves spinning their wheels and letting their focus drift from achieving the vision to searching for, interviewing, and hiring individual developers. They finally turned to an experienced, time-zone friendly nearshore development team in Peru. Almost immediately, the wheels caught traction. Through successful offshore outsourcing they were finally able to take-off and achieve what they set out to do.

Summary

When you focus on your vision, you allow your outsourced development team to focus on achieving it and you empower your organization to attain maximum success. This is what being focused on your vision is all about. Put the development in the hands of developers than can dedicate 100% of themselves to the technical details, and focus on your vision; both will be stronger for it.



Key 3: In-person Investigation is Critical



It might seem easier to evaluate global partners from a cozy coffee shop in your Western world, but it doesn't work that way.

In our story, Jason groans when met with the idea of traveling across the globe to meet with potential partner companies.

Patrick insists, "Trust me on this. Meeting the people at these companies is critical to selecting the right one. The better you know them, the stronger the glue will be that holds you and your chosen team together."

Plan to evaluate your partner in person

Preliminary research is critical, but research alone is not enough to guarantee an outstanding outsourcing partnership. After you've narrowed a list of qualified candidate partner companies, you'll want to visit your potential partners in person, even if they've been verified and certified by Accelerance. You're not buying widgets; you're partnering with people.

Video calls alone are not enough

Video calls are a must for open and continued communication during an outsourced project, but it's difficult to develop a true human connection and fully evaluate a global partner through a video feed. An in-person investigation is the best way to learn whether you'll be able to build a strong working relationship with your outsourcing partner and team.

"You're not buying widgets; you're partnering with people."

Case Studies

In the previous section, we introduced a surveillance systems company that needed an online system capable of tracking bus locations, and there's more to the story. After some extensive traveling and vetting of multiple potential outsourcing partners, our client decided that a team in Argentina was the best fit based on technology, budget, and software requirements. However, the product was redefined and new requirements were specified when the decision was reviewed by the executive committee. The CEO asked the evaluation team, "Which partner is the most likely to succeed, regardless of the price?"

Because of their dedication to properly vetting each potential partner in person, the evaluation team was able to look at the information they gathered and personal experience while visiting each outsourcing firm and make a quick decision. Instead of the team in Argentina, they chose a team in Colombia. The deciding factors came down to the way the team in Colombia had demonstrated their processes on site, and the deeply cognitive experience of being there made it easy to shift to the perfect partner choice when the project requirements changed.

Another client had an easy decision to make, thanks to their in-person evaluations. Having already worked with a company in Costa Rica, outsourcing wasn't an intimidating concept, and they already knew the importance of meeting their development team face-to-face in order to achieve the desired results. At the beginning of the engagement with their newest team, our client intentionally met the developers and spent time building the relationship before the work even began.

Summary

Visiting your potential outsourcing partners allows you to verify their experience, leadership capabilities, processes, and their true desire to create a beneficial partnership with you as your development team. The in-person connections you make at the very beginning drive successful relationships and lead to clear, continuous communication with outsourcing partners.



Key 4: Quality Matters as Much as Price



With offshore or nearshore software development, you'll likely experience a cost savings over onshore development costs. But don't always jump at the lowest price. Instead, look for the highest quality for your investment.

In *Outsource or Else!*, Jason realizes that quality matters as much as price when weighing the differences between MedellínTech and the company from the Philippines, which is being pushed by the investors for its attractive price tag. The factors that separate the two potential partners are vast: the quality of the conditions, the happiness of the developers, and the ability to communicate. These factors make a tremendous amount of difference that often overcomes the difference in price. When the time came to make a decision, Jason recognized that good people produce good products, a sentiment which has been verified time and time again in our real-world experiences.

Look beyond skill set and experience

Quality isn't defined by technical skill and experience alone. It also includes a team's ability to learn, work collaboratively, maintain clear communication, and fit in with your company's culture and core values. Likewise, innovation, great leadership, and the highest hiring standards need to be factored into your overall assessment of an potential outsourcing partner.

Strike a balance between talent and cost

Shop for a software development partner like you would shop for a good family car. You aren't looking for a high-speed Ferrari or a cheap Yugo; you want a Toyota. Solid, stable, low maintenance, and cost effective with years of experience and tens of thousands of hours of engineering on its résumé to back it up.

“Shop for a software development partner like you would shop for a good family car.”

Case Studies

As the surveillance systems company demonstrated in previous examples, price shouldn't be the deciding factor when choosing a software development partner. When that same client had to pivot and choose a new partner without considering the price, it was easy because the quality of each team on a deeper level had already been considered. The outsourcing partner's ability to show their processes, their fit with the surveillance company's culture, and their high standards made the team in Colombia a front-runner from the beginning but when price was no longer a factor, they immediately became the obvious choice.

Another great example is a company based out of Boston that Accelerance worked with. This client was looking to staff a professional services team to help with a series of projects driven by customer activity. Because of the nature of the projects, the ability to communicate and work in the same time zone was absolutely critical. What our client needed more than cost savings was high quality and high adaptability. In the end, our client chose an onshore, American company that could deliver what they needed while maintaining their strict communication, time zone, and adaptability requirements.

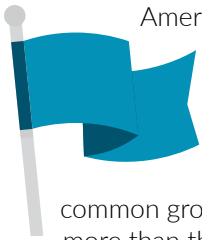
Vetting potential outsourcing partners to find the highest quality at a price you're comfortable with is crucial to your success. There are, unfortunately, companies out there who prey on the fears you may have of outsourcing, which can lead to situations where you're paying much higher prices for a local but inferior product. Paying too much for an acceptable product is no better than getting a deal on an inferior one. Doing the research and finding the balance between quality and cost that works for you is the only way to ensure your product is going to turn out like you envisioned it.

Summary

Remember that faster and cheaper is less important than the quality of the product. Ultimately, you should feel like you're getting everything you're looking for from your outsourcing company at a fair price.



Key 5: Embrace Cultural Differences



Americans are gregarious and outgoing. Eastern Europeans are direct. Latin Americans are proud and polite. Asian cultures are very polite and therefore usually indirect. While cultural differences can impact your relationship in many ways, we find common ground in software development — and even more than that, we discover our shared humanity.

In *Outsource or Else!*, Jason travels to Colombia and meets a developer wearing a tee shirt that says “Bazinga!” He immediately assumes it must mean something in Spanish. He quickly learns, however, that American culture isn’t always foreign in foreign countries. “Bazinga” was a reference to the familiar, nerd-loving American television show, *The Big Bang Theory*. Jason had no idea how many common interests and experiences he would share with the team in Colombia.

Embrace your differences

Any time you work with an outsourcing company from another region, there’s an acclimation period as you and your team get used to working with your new partners. Minor cultural differences threaten to create distance between you and your outsourcing partners. You’ll find that some regions are less direct than Americans, while others are so direct they may come off as rude or offensive. It’s important to remember that these differences aren’t personal, they’re cultural.

Build relationships

Communicate clearly. Give your outsourcing partner time to learn your product, company history, and culture; and take time to get your partner’s perspective on what you’re pursuing. Taking the time to build a relationship with your key contacts in the outsourcing company will pay off in spades, particularly when you have to navigate challenges or project complexity.

It’s important to remember that Americans have their own way of speaking and interacting that is so natural to us we may fail to notice it. When you go into the relationship accepting, embracing, and even enjoying the differences you encounter, your outsourcing partner is going to feel comfortable enough to do the same.

Case Studies

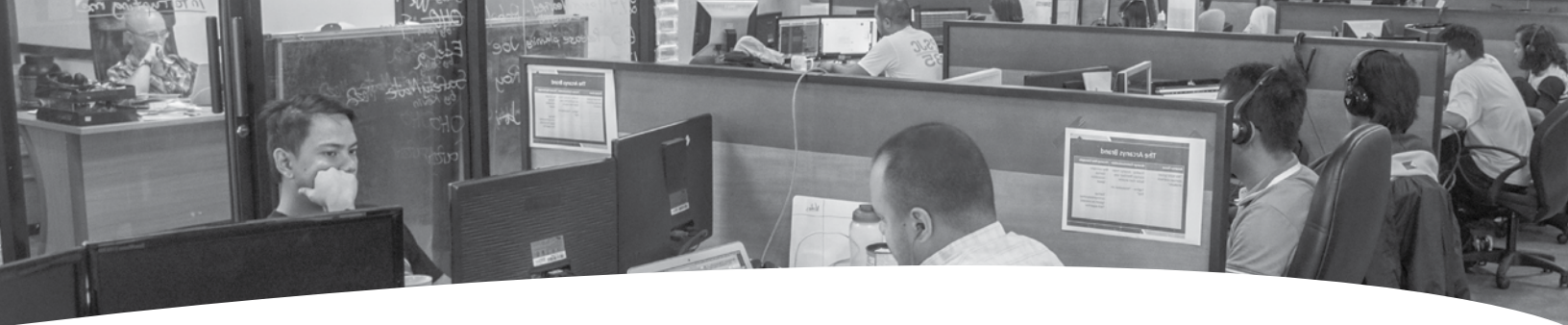
Some of the best stories we have are from moments where we found ourselves embracing another culture and being welcomed into it. You might not know it at the time, but your partner might be well on their way to embracing your culture long before you arrive. The “Bazinga!” tee shirt story from *Outsource or Else!* is based on a true (and slightly embarrassing) experience from the authors and Accelerance founders when visiting a partner company in Bolivia. The incident highlights how, despite differences between cultures, there is likely more overlap than you realize.

Later on, while visiting our partner in Bolivia, we enjoyed a late-morning meal consisting of salteñas (a baked empanada). Our hosts told of the story of the woman who first invented them, having been born in Salta, Argentina, and later exiled to Bolivia, her delicious creation was given the name of her home town. These are the sorts of things, sharing food and stories while finding common ground, that bring people together and grow the relationship between you and your outsourcing partner.

In addition to sharing stories, humor can be one of the greatest bridges between cultures. During a visit to Belarus (where Jason discovered that they truly appreciate their vodka), a member of the team we were visiting with told us a joke: “There were two Russian brothers at bar. During a good night of drinking, one of the brothers drank two bottles of vodka and stopped, while the other drank twenty. When they woke up the next morning, they both had terrible hangovers. So what’s the moral of the story? Why stop at two?”

Summary

Don’t view cultural differences as a barrier. Focus on the things you and your partners have in common and can get excited about together. If you can do this, then you can create a strong overall process for your software development. (However, we do recommend that you drink less than two bottles of vodka at one sitting!)



Key 6: Relationships are Important



Once you've met with your outsourcing partner and bridged the cultural divide, you may find you've built more than great software.

In *Outsource or Else!*, Jason brings his American team to Colombia to build relationships and improve communication between the whole extended team. What began as a divide due to communication breakdowns turned into the very opposite. The entire team grew stronger, more understanding of each other, and became better equipped to deal with obstacles by relying on the communication that their new relationships strengthened. The impact personal relationships have on the quality of your product is immediate and profound.

Collaborate, don't dictate

If you go into an outsourcing agreement with a "command and control" mentality, you'll compromise the quality of your product. The core of a good relationship involves effective communication, understanding the outsourcing team's values and culture, and a genuine personal connection with the people you're working with.

Visit often

Accelerance recommends visiting your outsourcing team members in their country at least once per quarter to maintain an open channel of communication. Although this practice may seem expensive on the surface, the investment will pay off significantly in your business in the long run. Remember, you're in this for the expertise, talent and results, not the cheap way out.

"Your outsourcing team should be an extension of your onsite team."

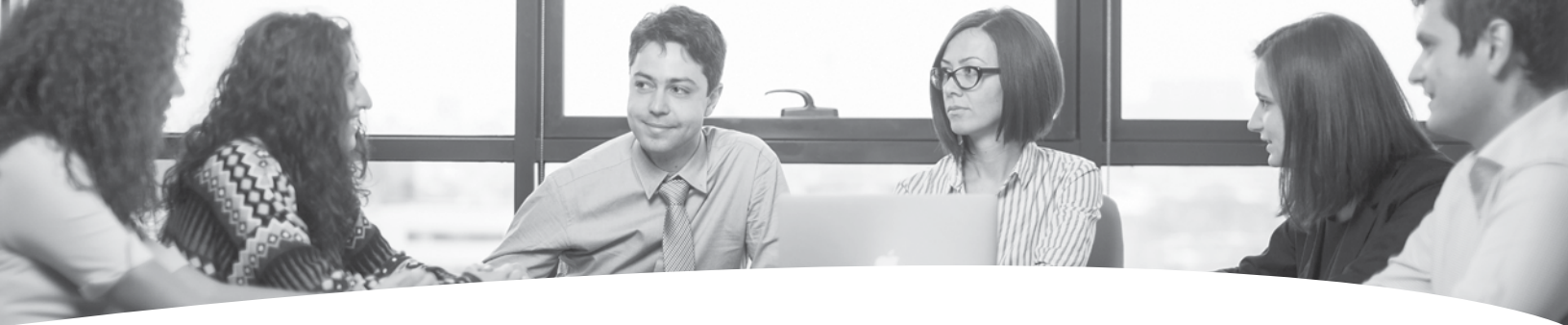
Case Studies

When relationships are good, they can be very good on both a personal and professional level. We've seen a project manager for one of our clients fly down to Colombia to throw his outsourced development team a Christmas party, and even a relationship where an American project manager ended up as the best man at a Costa Rican developer's wedding! These relationships are both personally and professionally beneficial.

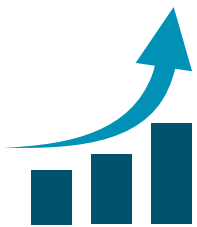
A good relationship with your outsourced team is critical and we see this repeatedly with our partners. One of our clients had an admittedly poor relationship with their outsourcing partner. The senior member of the outsourced team communicated occasionally with the client but the rest of the team were junior developers who rarely communicated. This wasn't necessarily the client's fault, as there is a cultural inhibition towards communication with people who they felt are their superiors. The product was eventually released without the client or the developers ever seeking to resolve the communication issue, and the product ended up being recalled shortly after release due to multiple quality issues.

Summary

People—regardless of nationality—feel a much stronger sense of obligation to deliver to others who know and care about them. Your outsourcing team should be an extension of your onsite team. You should be friends, and you should have each other's backs. Building a strong relationship with your outsourcing team will get you the best possible results.



Key 7: Everything You Invest in Hiring a Good Outsourcing Team Will Return to You Threefold



If you're casual about selecting a good outsourcing partner at the beginning, you're likely to get casual results.

In our story, Jason found himself in need of an acting CTO to help deal with a technical crisis. When the CTO of ShapeShift resigned, Jason was left to manage his team and take on more than he could handle. It wasn't until Patrick pointed out the Seventh Key that a genius solution came to Jason: He could appoint an interim CTO from their outsourcing partner! By turning to the expert team with a crisis that was costing his project, his problems were solved and his product was back on track.

As you develop a relationship with a team you can trust, you might find yourself relying on your partnership in ways you never would have imagined at the beginning of your relationship. Investing in that relationship will return to you at three times the value.

Don't just invest financially, invest personally

If you put the effort into choosing a top-of-the-line company from the beginning, your decision will pay you back in ways that you never could have foreseen. Yes, part of "investing" is financial, but it goes far beyond that. Investing is about the time you put in, the effort you put into research, and how much of yourself you put into building a relationship. An innovative, passionate, and competent team will be able to support not just your original goals, but also objectives that go far beyond what you initially imagined you would use them for.

"An innovative, passionate, and competent team will be able to support not just your original goals, but also objectives that go far beyond what you initially imagined you would use them for."

Case Studies

Here's a good example of the return that a personal investment in an outsourcing partner can bring. Accelerance worked with an American nonprofit that had a complicated system of sharing spreadsheets and information throughout their company. Our client wanted a web application that would allow them to streamline and simplify their file-sharing process. Accelerance connected the nonprofit with an outsourcing partner in Argentina, and the engagement got underway. Despite both our client and their outsourcing partner originally believing they had the best specifications and requirements, issues arose. When users in the company finally received it, they weren't satisfied with the end result.

This is when the investment the nonprofit had already put into their outsourcing partner, both financially and personally, gave the greatest return. After reviewing the issues that users were having and gaining a deeper understanding of what those users truly wanted out of the software, the outsourcing partner put the product into an Agile process, allowing them to get features implemented quickly and with a higher degree of flexibility. The outsourcing partner they chose helped them by seeking to truly understand their issues and offering real solutions that still fit their budget.

Summary

As your company and needs expand, the right outsourcing team will be able to expand with you. This synergy can prove to be one of the most rewarding parts of outsourcing software development.



Conclusion

The most qualified software developers on earth aren't always in your building, backyard, or anywhere close to your local region. Software outsourcing isn't about getting things done fast and cheap, it's about developing products on time, on budget, and aligned with your vision. It's the people who make the difference. When you invest time and resources your outsourcing partnership, you're rewarded with more than a great product.

The story was fiction, but the solutions are real

Outsource or Else! is a fictional story about a fictional tech company, but the story can be a reference and guide for your outsourcing needs. The problems that ShapeShift faces are the same problems that pain real tech companies today, and the solutions that Jason arrives at are all real-world solutions. We invite you to learn from our years of software outsourcing consulting.

Trust your software to Accelerance

The Seven Keys of Outsourcing Software Development from Accelerance are the backbone of *Outsource or Else!* and are designed to help you create the most successful outsourcing experience possible.

With our unique keys to success as your reference and guide, you'll experience the unmatched benefits of software outsourcing: value, innovation, flexibility, scale, and brilliant minds eager and willing to support your vision from idea to production and beyond.

Accelerance is your global software outsourcing authority. We connect Western companies with the world's most talented software development and engineering teams. It's our mission to help you and your company have a successful outsourcing experience by matching your software needs with the perfect partner.

Only Accelerance travels the world to verify and certify that our global partners operate to the standards and best practices you expect for your software development and engineering.

Talk to an Accelerance representative and trust your software to a verified or certified Accelerance Global Partner.



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